

MINUTES OF THE MEETING OF THE AUDIT AND GOVERNANCE COMMITTEE



Held on Thursday, 28th July, 2022 at 6.30 pm

Lynda Kenton Suite, RBFRS Headquarters, Newsham Court,
Pincents Kiln, Calcot, Reading RG31 7SD.

Members: * Councillor Christine Bateson * Councillor Mike Smith
(*present) * Councillor Tricia Brown * Councillor Morag Malvern
* Councillor Haqeeq Dar * Councillor Sandra Malik
* Councillor Biyi Oloko Councillor Tina McKenzie-Boyle
* Councillor Tony Linden * Councillor Dennis Benneyworth

In Attendance: Mark Arkwell (Deputy Chief Fire Officer, DCFO)
Lincoln Ball, (Pensions Board, Chair)
Wayne Bowcock, (Chief Fire Officer, CFO)
Conor Byrne (Head of Finance and Procurement, HF&P)
Doug Buchanan (Area Manager, Response and Resilience, AM R&R)
Becca Chapman (Data and Performance Manager, D&P Manager)
Becci Jefferies (Head of Human Resources and Learning and
Development, HHR&L&D)
Katie Mills (Deputy Chief Fire Officer, DCFO)
Anna O'Keeffe (RSM, Internal Auditor)
Fayth Rowe (Democratic Support Lead, DSL)
Tony Vincent (Head of Business and Information Systems, HBIS)

Observers: Allison Kennett (EY, External Auditor)
Andrew Mclenahan (Head of Facilities, Fleet and Equipment, HFF&E)
Tregear Thomas (Area Manager, Prevention and Protection, AM P&P)

5. APOLOGIES FOR ABSENCE

Apologies of absence was received from Councillor Tina Mckenzie-Boyle.
Councillor Dennis Benneyworth was in attendance as her substitute.

6. DECLARATIONS OF INTEREST

There were no Declarations of Interest from Councillors relating to items to be considered at the meeting, in accordance with the provisions of the Fire Authority's Local Code of Conduct.

Action

There were no Declarations of Interest from Officers.

7. MINUTES OF THE MEETING HELD ON 23 MARCH AND 30 JUNE 2022

RESOLVED that the Minutes of the meeting held on 23 March and 30 June 2022, be approved as a true record and signed by the Chair.

8. CONSIDERATION OF ANY MATTERS PROPERLY REFERRED TO THIS COMMITTEE FOR DECISION

There were no matters referred to this Committee for decision.

9. INTERNAL AUDIT UPDATE

Conor Byrne, Head of Finance and Procurement (HF&P), introduced the item and handed over to internal auditor, Anna O’Keeffe. She reported three audits received the highest audit rating of substantial assurance (Value for Money, Key financial controls – creditors and Governance and Risk Management). She stated the actions identified were low which had been addressed by management.

In answer to a question from Councillor Oloko, on the reason why the Cyber Essentials audit was advisory, Anna reported, Cyber Essentials had always been an advisory audit and that the scope was based on government Cyber Essential themes. Management would have completed a self-assessment and auditors test against the self-assessment to check the evidence was in place.

Councillor Oloko queried the low findings/ implications on West Yorkshire Pension Fund (WYPF) key performance indicators, page 35 of the report. He also queried the contract had not been updated since its introduction in 2016. Anna reported the audit had not identified any issues in relation to value for money which was the focus of the audit.

Conor stated management held regular meetings with WYPF, and both parties were able to resolve issues as they arose.

In response to Councillor Smith’s queries on page 31 and 36 of the report key findings, Anna explained why the findings were rated as low.

In referring to page 36 of the report, Councillor Smith highlighted contract meetings with WYPF were not minuted. Anna reported the action was for those meetings to be minuted. Becca Jefferies, Head of Human Resources and Learning and Development (HHR&L&D), reported contract meetings were noted via action and decision log, however a more detailed recording of the meeting had been actioned.

In response to a query from Councillor Oloko, Wayne Bowcock, Chief Fire Officer (CFO), stated the Internal Audit Update cover report and appendices were addressed to Audit and Government Committee.

In referring to page 90 of the report, Anna explained the Audit Plan 2022/23 showed the reviews auditors planned to undertake during the year. She stated, page 95 set out the opinions and audits completed in previous years.

Councillor Smith queried the reason IT General Controls and Sickness Absence Management had not been audited since 2016/17. In relation to IT General Control, Tony Vincent, Head of Business and Information Systems, (HBIS), reported the Cyber Essentials audit involved a health check to ensure the Service met its credentials. Becci reported of management intervention in relation to sickness absence and Katie Mills, Assistant Chief Fire Officer (ACFO), stated that sickness absence records were looked at in detail.

In response to a question from Councillor Bateson, Conor Byrne reported Governance and Risk Management was audited on an annual basis. Auditors would look at the opinion of the previous year and develop a scope.

Katie Mills reported all open actions were reported to Audit and Governance Committee.

Wayne Bowcock stated the findings and audit opinion was one of the best opinions received. The low risk findings/ actions identified areas for improvement, however, the Service was moving in the right direction.

RESOLVED that:

- 1) The findings as presented in RSM's Progress Report be noted;
- 2) RSM's Annual Report be noted; and
- 3) The Audit Plan for 2022/23 be approved.

The Internal Auditor left.

10. EXTERNAL AUDIT UPDATE

Conor Byrne, (HF&P), reported that he had hoped to be presenting the audit of the 2020/21 Statement of Accounts and explained there were delays in relation to the Berkshire Pension Fund. He stated, he believed the accounts would be signed off in August and be presented at the next Audit and Governance Committee in October.

Conor stated that he brought the draft 2020/21 Statement of Accounts in March, albeit there were two incomplete areas, which were Pension evaluation from Deloitte and an evaluation of land and buildings. This draft version had been published on RBFRS website.

Allison Kennett, EY (External Auditor) explained the Fire Authority were below the threshold and that checks made by government were for accounts above the threshold.

The Chair asked what would happen if the 2020/21 Statement of Accounts were not signed off. Conor reported the accounts would remain on RBFRS website, until they are formally signed off by Audit and Governance Committee and republished as audited.

RESOLVED that the report be noted.

The External Auditor left.

11. EMERGENCY SERVICES MOBILE COMMUNICATIONS PROGRAMME VERBAL UPDATE

In acknowledging the number of new Members appointed onto Audit and Governance Committee (A&GC), Tony Vincent, Head of Business and Information Systems (HBIS), provided a brief overview of Emergency Services Mobile Communication Programme (ESMCP).

He advised Airwave, which was the primary radio communication used by blue light services was over 25 years old and was due to be replaced by Emergency Services Network (ESN).

He explained there had been delays in implementing ESN since 2019.

In answer to a question from Councillor Oloko, Tony Vincent reported ESN would be 4G ready and would evolve to 5G network. He explained the ESMCP National Programme Team expect a brief hiatus of activity as a result of an investigation by the Competition and Markets Authority into the way certain contracts were tendered a number of years ago. The initial findings of that investigation is expected to be available in September 2022 and a full report is expected in December 2022. The result of the investigation may result in further delays to the programme, as it could require re-tendering of some contracts, especially around the software that sits on the devices. Tony Vincent stated, if contracts were re-tendered, it would delay the programme by a further 18 – 24 months.

The ESMCP National programme Team were in the process of carrying out impact assessments on the outcome of the investigation to the Service. The cost of overall programme delays to date, had been estimated at £6.4 billion pounds. He added, there was no ongoing threat to the viability of the programme due to the existing infrastructure will need to be replaced in the medium-term.

The Airwave network costs UKPLC £1.7 million per day to keep running. There is a strong drive from the Home Office to get alternative technology and reduce costs. RBFRS continue to carry out coverage assurance tasks on operational locations for example, AWE, Windsor Castle and high rise buildings to be fed

back into the central programme.

RBFRS continue to engage in the programme and in some cases lead on the technical delivery of the programme.

Tony reported, there will be a need to replace radio terminals, due to the delay in the programme within the next 12 months. The terminals themselves would not be of any cost to the Service, however there would be a small cost to make them work with new terminals.

The Fire Funding Policy Team, carried out a deep dive into the South Central region and give a positive opinion. RBFRS arrangements have been deemed robust and prudent, as a result, 2022/23 funding for the business case was approved. Therefore, the Service will receive an appropriate level of grant funding to carry on with engaging in the programme.

The estimated timeline for Airwave to be shut- off was in 2028. This date does not include the delays outlined earlier in the presentation.

Another delay to the implementation of ESN was the announcement from the Fire Funding Policy Team to remove the tapered FireLink grant currently received to off-set the cost of Airwave. The impacts were being incorporated into the Medium Term Financial Plan (MTFP) and into the Corporate Risk Register. A 20% reduction will be imposed on the Service, starting 2022/23.

In referring to the 20% reduction in the FireLink grant, Councillor Linden stated the importance of lobbying central government to allow the Authority to increase Council Tax '£5 for fire' and asked whether the Royal Berkshire Fire Authority Chair and Chief Fire Officer would continue lobbying?

Wayne Bowcock, CFO, reported lobbying will continue. He stated a commitment was made with Berkshire MP's to receive regular updates on the performance and financial pressures of the Service, as well as updates from National Chief's Fire Council (NFCC).

Tony Vincent added at a regional level, South Central response was being coordinated via DCFO at Oxfordshire FRS.

Tony Vincent agreed to circulate the text he read out as part of his verbal update.

In response to a question from Councillor Oloko, Tony Vincent reported 2028 was the last formal date of the shutdown of the current Airwave network, however it will not be shut down until a viable alternative was in place. The current Airwave cost received annually was 25% higher, than the grant received. The charge covered maintenance / repair of the network and the replacement of physical handsets.

Wayne Bowcock, CFO, reassured Members that Tony Vincent was the lead for the Service, and was engaged regionally. He stated the reduction in the FireLink

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grant and the extension of the deadline date of the implementation of ESN, was an issue the Service will continually push back with central government as strongly as possible.

12. LOCAL PENSIONS BOARD - ANNUAL REPORT

Lincoln Ball, Chair of Pension Board presented the report and explained the annual report was a look back on activities that related to Firefighters Pension Scheme. There was a separate Board for the Local Government Pension Scheme (LGPS) for Green Book staff.

Lincoln stated there were a lot of complexity and uncertainty in the pension environment which added to the risks to Firefighters and Scheme Manager (Fire Authority). He stated Scheme Administration was at a good standard and the Pensions Board was operating effectively. Risks were reviewed, updated and moved onto the Corporate Risk Register.

In referring to page 109 of the report, he stated West Yorkshire Pension Fund (WYPF) acted as the Scheme Administrator of which the Pensions Board measure their performance against targets. Their performance was slightly down compared to the previous year based on activity levels were 2/3 lower.

Lincoln discussed the significant risks and issues in relation to the provision of pension scheme which although they were local schemes, they have to be delivered against national guidance. Which adds to the complexity for Scheme Administrators.

He stated the latest review of the risk register was held in June 2022. The Board had previously identified five risks and reduced three. He discussed the remaining two risks, one was at its target level and the other identified training and development of the Pension Board which was an ongoing treatment.

In answer to a question from Councillor Linden, Lincoln reported the last Pension Board meeting in June 2022 was inquorate. The Pension Board has four members and requires three members in attendance for it to be a quorate meeting. He stated, that was the reason the Pension Board were unable to ratify the updated risk register. Although the Terms of Reference (TOR) require two meetings per year, meetings were scheduled to be held four times per year to sign off items. He stated the next meeting will be held on 7 September.

In referring to paragraph 8.2 of the report, Councillor Malvern requested for further detail on the insufficient knowledge of the various firefighter pension issues the Pension Board were challenged with, and asked whether there was anything the Audit and Governance Committee could do to address this?

Lincoln reported Pensions Board members were encouraged to read bulletins and attend conferences as part of their training and development. He added, to maintain knowledge within the Board, the appointment of new members was staggered over a four year period.

Mark Arkwell, Deputy Chief Fire Officer (DCFO), stated in addition to the above, regular coffee mornings were held for Board members to meet with Local Government Association expert.

In answer to a question from the Chair on expanding the membership of the Board, Becci Jefferies, Head of Human Resources and Learning and Development (HHR&L&D), explained it was a requirement for the Pension Board TOR to be brought before the Fire Authority. She reported Buckinghamshire Fire and Rescue Service use the same Scheme Administrator and the possible expansion of Board members with them would require a detailed exercise. She stated this was an option that will be discussed at a future Pension Board meeting and brought back to this Committee at a future meeting.

In answer to a question from Councillor Bateson on the possibility of using substitutes to attend Board meetings, Becci stated that the governance strategy will be looked at the next meeting in September.

RESOLVED that the contents of the report be noted.

13. ANNUAL REPORT 2021/22

Becca Chapman, Data and Performance Manager presented the 2021/22 Annual Report and stated it was a summary of the Service's performance and activities which will be published on rbfrs website.

She stated the Committee regularly receive quarterly performance reports and that the Annual report was a public facing document. The report included key information about the Service's progress, events and highlighted the timeline of activities held during the year.

The Chair thanked Becca and stated the report was well presented.

Councillor Smith asked whether the report was printed and whether the number of people that downloaded the document was tracked? Becca reported that the number of hits on rbfrs website were tracked and agreed to confirm the number.

Both Councillor Oloko and Linden commended the presentation of the report. Councillor Linden suggested links to the report should also be made available on rbfrs social media channels.

In answer to a question from the Chair, Mark Arkwell, DCFO explained an 'escape hood' was designed to support the safe evacuation of public within a smoke environment.

The Chair also asked a question on the number of officers that have completed the e-learning package on external cladding systems. Mark Arkwell stated there were a number of e-learning packages relating to the built environment programme. For safety critical courses, there was requirement for staff to

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complete those courses. He added, those courses were tracked via built environment programme and approximately between 95-97% of relevant staff had completed the courses and reassured Members the remainder 3% would complete the course by the end of the calendar year.

The Chair echoed the positive comments made on the content and presentation of the Annual Report. In answer to a question from Councillor Bateson, Becca Chapman confirmed the term 'mobilisation' meant the total number of times an appliance was dispatched from a station to an incident.

In response to Councillor Linden, Wayne Bowcock, CFO stated a revised Strategic Asset Investment Framework (SAIF) and Medium Term Financial Plan (MTFP) were currently in development alongside the overarching Community Risk Management Plan (CRMP). These documents were being reviewed and the Deputy Chief Executive, Deputy Chief Fire Officer and Head of Finance and Procurement were leading on this. He stated Member Workshops and lead Member engagement opportunities will be held prior to Member approval.

Councillor Malvern queried the percentage of success rate when cases go to court and asked for further explanation as to why cases would go to court? Wayne Bowcock reported that section of the Annual Report was about Fire Protection. He stated under the Fire Regulatory Reform Order, the Service, was the primary Enforcing Authority and work with Responsible Persons in business premises to take action where their audit was not satisfactory. If they do not engage to a level where it is deemed appropriate in the protection of the public, then the Service would implement various stages of prohibition and legal enforcement through criminal courts. The measure outlined in the report show the number that went through criminal courts and the percentage that was successful.

In answer to a question from Councillor Smith. Wayne Bowcock reported the difference between primary fires and secondary fires.

Becca Chapman agreed to include the Home Office definition in the next Quarterly Performance Report.

Councillor Smith asked a question on the percentage of commercial respondents. Becca Chapman explained the actual percentage was higher than the target figure.

RESOLVED that the Annual Report prior to external publication be noted.

14. QUARTERLY PERFORMANCE REPORT 2021/22 QUARTER FOUR (JANUARY - MARCH 2022)

Becca Chapman, Data and Performance Manager, stated the Quarterly Performance Report outlined performance data from across the Service. The report contained all elements of data up to the date of the quarter in question (January – March 2022) except for the Corporate Risk Register. The report

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covered performance across the following four quadrants: Service Provision, Corporate Health, Priority Programmes and Corporate Risk. She proposed to present each quadrant in turn.

Becca reported the section on Service Provision group together data, information and measures to allow scrutiny on performance against the Service's statutory obligations and internal services provided. Highlights were the return to pre-COVID activities in communities. She stated, this reflected the rise in incident trends and primary fires in industrial and commercial premises, associated with an increase in on-site working. She also stated the number of Automated Fire Alarm (AFA) calls received, and attendance had dropped due to a combination of changes on the levels of occupation of buildings (following COVID) and early impact of Thames Valley Fire Control Service (TVFCS) call challenge.

Corporate Health – this section monitors how the Service manages key resources, for example, people and finance. The highlights were the continued challenges seen in staff sickness absences levels, particular associated with COVID-19 cases. However, the Service continue to improve eligible operational staff in achieving their qualifications.

Councillor Malvern requested further information on nucleus crewing project. Doug Buchanan, AM R&R, reported this project was around the Service allocating further resource in the west of the county. He stated CRMP were looking at ways of building more resilience in response, prevention and protection.

In response to a question from the Chair on legal fees, Mark Arkwell, DCFO stated the legal fees outlined in the report related to an incident in Prospect Park some years ago, where legal advice was sought.

Priority Programmes – this quadrant allows the Service to monitor progress of work, designed to deliver a defined outcome. The highlights were a number of project statuses had moved in a positive direction, including the Service's work to improve protection quality assurance processes and education work. The Service has also made improvements on its Equality, Diversity and Inclusion objectives and in this quarter, the completion of the project to deliver the new tri-service fire station in Theale.

Corporate Risk – Assessment of corporate risk that may impact service delivery. This section included data from audit monitoring (discussed earlier in the agenda). Becca stated there was an increase in threat level in cyber security following conflict in the Ukraine.

In referring to Appendix A of the report, Her Majesty's Inspectorate of Constabulary Fire and Rescue Services (HMICFRS) Action Plan, Wayne Bowcock, CFO stated the Service was working hard to address areas of improvements. He stated the findings and judgement of the second RBFRS Inspection will be available in December 2022.

Action

RESOLVED that:

- 1) The performance against Service Provision and Corporate Health measures for the targets agreed by the Fire Authority for 2021/22, be noted;
- 2) The progress made on the four priority programmes, be noted and;
- 3) The position of corporate risk be noted.

15. DATE OF NEXT MEETING

Following a request from Councillor Mike Smith, Fayth Rowe, Democratic Support Lead (DSL), agreed to include the Forward Plan on future Audit and Governance Committee agendas.

Monday 17 October 2022, at 6.30pm, RBFRS Headquarters, Newsham Court, Pincents Kiln, Calcot, Reading, Berkshire RG31 7SD.

DSL

(The meeting concluded at 20:22)